

**Town Council Minutes
Morehead City, North Carolina**

Tuesday, November 10, 2009

The Honorable Council of the Town of Morehead City met in regular session on Tuesday, November 10, 2009, at 5:30 p.m., in the Municipal Building Auditorium at 202 South 8th Street, Morehead City, North Carolina. Those in attendance were:

MAYOR:	Gerald A. Jones, Jr.
MAYOR PRO TEM:	George W. Ballou
COUNCILMEN:	Paul W. Cordova
	David Horton
	John F. Nelson
	Demus L. Thompson
CITY MANAGER:	R. Randy Martin
CITY CLERK:	Jeanne M. Giblin
CITY ATTORNEY'S OFFICE:	Nelson W. Taylor, III, Derek Taylor, Michael Thomas
OTHERS:	Ron Cullipher; John & Jane Capps; Mark McCloskey; Michael A. Shutak, Reporter, THE CARTERET NEWS TIMES; James Walker; Viola Midgett; Devon Williams; Napoleon Sanders; Rusa N. Sanders; Rose Dudley; Robert B. Dudley, Jr.; A. L. Midgett, Jr.; Lindsay Sewell; Trey McCarther; Mike Farmville and several others

I. Regular Meeting Call to Order, Invocation and Pledge of Allegiance

Mayor Jones called the meeting to order at 5:30 p.m., and requested that all remember Veterans Day and keep all our men and women who serve and have served in the armed forces in our prayers. Councilman Thompson gave the invocation, and all joined in The Pledge of Allegiance.

II. Special Presentation: John & Jane Capps on behalf of The Salvation Army

Mrs. Jane Capps spoke on behalf of the Salvation Army, an international organization known for its evangelical, social and charitable work. She and her husband, John, made an appeal for the Christmas Kettle Program, which involves volunteers standing outside businesses, and playing or singing Christmas carols, or ringing bells to inspire passersby to place donations inside the trademark red kettles.

On Tuesday, December 1, 2009, from 12:00 noon to 2:00 p.m. a kettle will be designated as "The Town of Morehead City Council Kettle". The location will be the Walmart welcome door in Morehead City. She thanked all who will participate and thanked everyone for all the support given to The Salvation Army.

John Nelson reminded everyone that today is the birthday of the United States Marine Corps.

III. Adoption of CONSENT AGENDA

III.A. Approval of Minutes: Tuesday, October 13, 2009, Regular Meeting

Approved the Minutes of Tuesday, October 13, 2009, Regular Meeting and dispensed with the reading.

III.B. Approve the Requests for Release of Overpayment of Ad Valorem Taxes for October 2009, in the amount of \$3,782.80; and Accept the Tax Collector and Finance Director Reports for October 2009

Approved the requests for release of overpayment of ad valorem taxes for October 2009, in the amount of \$3,782.80; and accepted the Tax Collector and Finance Director reports for October 2009.

III.C. Adopt 2010 Town Council Regular Meeting Schedule

The proposed 2010 Council regular meeting schedule was presented for Council approval. All meetings are set on the second Tuesday as there are apparently no known

conflicts necessitating deviation at this time. As per G.S. 143.318.12, the Council must adopt a regular meeting schedule.

Adopted 2010 Town Council Regular Meeting Schedule as submitted. [The 2010 Town Council Regular Meeting Schedule is attached to and made a part of these minutes.]

III.D. Adopt Resolution 2009-48 Safe Routes to School Barbour Road and Resolution 2009-49 Sidewalk Improvements

The Council previously authorized a similar Resolution for the Safe Routes to School program which was submitted with a federal grant application for the purpose of funding sidewalk facilities, aimed at improving safety along resident routes to Morehead City Middle School. The City's application unfortunately was not approved for funding under the federal grant program. Yet, North Carolina Department of Transportation [NCDOT] officials have advised the City staff that the state also has funds to address these needs. In recognition of the need, NCDOT staff suggested the City consider pursuit of the state funds. The Safe Routes to School funding resolution is required to be part of the state grant application.

Since the NCDOT Safe Routes to School funding is limited to \$100,000 per grantee which would necessitate reducing the project scope significantly, NCDOT has offered to supplement the grant with NCDOT division standard sidewalk matching funds for the additional amount estimated to complete the project scope. This portion requires a City match of \$13,000.

The Public Works Committee previously recommended the Barbour Road sidewalk project for the Safe Routes to School grant funding. Morehead City Middle School officials have previously requested pedestrian improvements and endorsed the grant application as well.

Adopted Resolution 2009-48 Safe Routes to School and Resolution 2009-49 for the Barbour Road Sidewalk Improvements. [Resolutions 2008-48 and 2009-49 are attached to and made a part of these minutes.]

Councilman Cordova MOVED, seconded by Councilman Thompson, and carried unanimously to adopt the CONSENT AGENDA with one [1] motion.

IV. Public Hearing: Request for Voluntary Noncontiguous Annexation submitted by Sailfish Wildwood, LLC for PIN #6357-0310-2518 located at 133 Wildwood Road, 42.76 acres, zoned RMF/CU and CH/CU District -- Adopt Ordinance 2009-46

Planning Director Linda Staab reported that the nearest point on the proposed satellite corporate limits is approximately 1,300 feet from the existing City limits. The area proposed for annexation is so situated that the Town of Morehead City will be able to provide services on the same basis as it provides in the primary corporate limits. The site in question is not part of an existing subdivision, and therefore, will not fragment a subdivision. The Town of Morehead City currently has 257.59 acres located in satellite annexed areas. The addition of this satellite annexation [42.76 acres] when added to the area within all other satellite corporate limits totals 300.35 acres and does not exceed 25 percent [1,401.41] of the area within the primary corporate limits. At the October 13, 2009 meeting, the Council approved a rezoning of the property from CH/CU [Highway Commercial/Conditional Use] to RMF/CU [Residential Multifamily/Conditional Use] and CH/CU District.

The current tax value is estimated to be \$3,105,193 and based on a 22 cent tax rate, \$6,831.42 in tax revenues would be generated. Water lines will be extended from an existing 12 inch main on Highway 70. Sewer will be accessed via a lift station and gravity sewer lines which must be constructed by the developer. All costs associated with extending the water/sewer service to the newly annexed property will be the responsibility of the owner.

Mayor Jones opened the public hearing.

No one spoke for or against the annexation.

Mayor Jones closed the public hearing.

Councilman Horton questioned the annexation becoming effective in April 2010.

Manager Martin replied that the developers wanted to be assured the project would be a part of Morehead City and therefore, enjoy the benefits of water/sewer utilities before proceeding with any planning. They do not anticipate beginning the project before April, 2010.

Councilman Thompson MOVED, seconded by Councilman Cordova, and carried unanimously, to adopt Ordinance 2009-46 granting Voluntary Noncontiguous Annexation to Sailfish Wildwood, LLC for PIN #6357-0310-2518 located at 133 Wildwood Road, 42.76 acres, zoned RMF/CU [Residential Multi-Family/Conditional Use] and CH/CU [Highway Commercial/Conditional Use] Districts. [Ordinance 2009-46 is attached to Ordinance Book #6 in the vault.]

IV.B. Public Hearing: Request submitted by ECCDI, on behalf of Best Ventures, LLC, to Rezone a portion of Tax PIN #6376-1314-7055, located at 222 Friendly Road from R20 [Single Family Residential] District to RMF/CU [Residential Multi-Family/Conditional Use] District – Adopt Ordinance 2009-50

Planning Director Linda Staab reported that Eastern Carolina Community Development Inc., [ECCDI], on behalf of Best Ventures, LLC, submitted a request to rezone 10.8 acres located at 222 Friendly road from R20 [Residential] to RMF/CU [Residential Multi-Family/Conditional Use] District. The property is located within the corporate limits and is vacant. Adjacent property is zoned R20 to the north, OP [Office & Professional] to the east, MA/CU [Medical Arts/Conditional Use] to the west and R20 to the south. Surrounding land use consists of single-family residential to the north, vacant area to the south and west, and the Leon Mann Senior Center to the east. The developer is proposing to locate a 96 unit senior apartment complex on the property.

The plan as proposed exceeds the minimum lot size for 52 one-bedroom units and 44 two+-bedroom units at 10.8 acres. The proposed 96 unit project has a density of 9 units per acre. As proposed, this project meets the minimum requirements for open space with 42 percent natural open space and 11 percent useable open space. The site is located in Neighborhood 5 of the CAMA Land Use Plan and is classified as Low Density Residential. The plan as proposed does not appear to conflict with any policy statements. The proposed building is a three [3] story structure and will not exceed 50 feet in height. The parking requirement has been exceeded with 214 parking spaces proposed. The plan meets and/or exceeds the minimum setback requirements for a three-story multi-family building. A 10 foot landscape strip is shown along the front and 2.5 feet landscape strips are shown along the east and west sides of the property. The developer has requested a modified screen to the north. The property was posted and property owners within 300 feet of the proposed rezoning site were notified of the Planning Board meeting as well as the public hearing.

The suggested conditions of the rezoning are:

1. Receipt of state stormwater permit;
2. Receipt of sedimentation and erosion control permits;
3. Receipt of a lighting plan in accordance with Article 13-2.2k of the UDO;
4. Construction by the developer of a cul-de-sac at the terminus of Mandy Lane;
5. Improvement of the driveway area [future Galantis Drive extension] and sidewalk, by the developer, to Council-approved standards;
6. Provision for a pedestrian walkway within the development to connect amenities;
7. Provision for recreational amenities including, but not limited to, a gazebo, picnic table, and swing;
8. That the project will remain in perpetuity an age-restricted multi-family development for adults 55 years of age and older; and
9. That the project will remain an affordable development within the guidelines set forth by the North Carolina Housing Finance Agency.

At the Planning Board Meeting on October 20, 2009, Keith Walker, a representative of ECCDI, said a company will be hired to manage and maintain the property, including the maintenance of stormwater-related components. Tenant approval will be subject to a background check and income-based criteria (between 30%-60% of the area median

income). The size of the individual units is proposed to be between 900 and 1200 square feet. Planning Board members suggested adding conditions to ensure the provision of sufficient recreational amenities, pedestrian connection, and affordability. Board members agreed that the proposed use would fill a need within the community. Gordon Thayer made the MOTION, seconded by Curtis Fleshman, to recommend approval of the rezoning request subject to the nine [9] conditions. The motion carried unanimously. The Planning Committee of the Council reviewed the proposal.

Councilman Horton questioned the 60 foot private drive on the site and that it was not a condition of the rezoning for it to be a public road.

Planning Director Staab explained that the developer agreed to dedicate the road prior to obtaining the certificate of occupancy.

Councilman Horton questioned what would happen to Galantis Drive and the intention to have it extended to Friendly Road if the other proposed development [assisted living facility] located just to the west of this development were not to be built.

Planning Director Staab replied that Galantis Drive would be a stubbed out street and whenever the property to the west is developed, Galantis Drive would be continued further to the west and eventually connect to Friendly Road.

Upon a question from Councilman Horton regarding the cul-de-sac to the north of the planned development, Planning Director Staab reported that Mandy Lane is a stubbed out street, and since it will not be continued, the City requires that it will be built by the developer as a cul-de-sac. It was ascertained that the cul-de-sac will be within the City limits.

Councilman Horton commented that it seemed like a burden on the developer to pay for the construction of the cul-de-sac when the proposed development would not derive benefit from it.

Planning Director Staab further explained that the continuation of Plantation Drive is not a condition of this development, however, it is a condition on the proposed assisted living facility located immediately to the west of this proposed development.

Councilman Horton commented that being the two proposed developments are being developed by the same entity, it would make more sense for this development to have the same condition for the continuation of Plantation Road.

Mayor Jones opened the public hearing. Mayor Jones swore in those wishing to give testimony.

Ron Cullipher of Stroud Engineering, Morehead City, representing Best Ventures LLC. stated that the proposal meets the technical criteria for this rezoning. The particular proposal is a good fit for this area with the senior center to the east and the proposed senior assisted living project to the west. There is a need for this type of housing in this area.

Mr. Cullipher explained that under the new state stormwater requirements, the stormwater retention pond will retain 1 ½ inches of rainfall and/or not release at the rate prior to predevelopment construction. The water will drain northeast and northwest for the drainage scheme which is proposed. The cul-de-sac to the north [in Mandy Farms] was agreed to by the developer as a compromise for not doing a through way street which is not conducive for this type of development.

Councilman Horton commented that Plantation Road should be continued as a through street to open up the area in terms of better traffic flow. If this project goes through and not the assisted living project, Galantis Drive would not be developed through to Friendly Road. The City needs to gain access.

Councilman Thompson questioned the provisions for a walkthrough over the drainage ditch from this project to the senior center.

Ron Cullipher replied that there is no current plan to cross the ditch to the east of the proposed development to access the senior center. There will be a sidewalk provided along Galantis Drive for access.

Councilman Nelson questioned that the retention pond will hold only 1 ½ inches of rainwater. In his opinion, he considered that the minimum and wanted the retention pond to be built to contain more than the minimum flow.

Ron Cullipher responded that the retention pond for this project is designed to not make more run off after the project as was there on the property before the project and it meets the recently enhanced state stormwater requirements.

Councilman Nelson ascertained that the sidewalk would go to the eastern end of the property and then access the sidewalk in front of the senior center.

It was determined that the necessity for the provision of turning lanes on Friendly Road onto Galantis Drive will be determined by the North Carolina Department of Transportation [NCDOT] and there is no current provision for turning lanes from Galantis Drive into the proposed project.

Ron Cullipher stated that the entirety of the extension of Galantis Drive will be designed at one time taking into consideration both the assisted living facility and this proposed senior housing complex. The street design would be submitted to the City for review.

Mike Farmville of 505 Hedrick Boulevard who owns the adjacent property to the ditch located on the north side of the proposed development, stated that the ditch is not properly maintained by the state; most of the properties drain into it and it has a tendency to flood his property and back up to Hedrick Boulevard.

Ron Cullipher stated he was aware of the ditch and that the two cul-de-sacs which will be placed in that vicinity should help ameliorate associated drainage problems. He continued that the ditches need to be cleaned, however, the developer will be working strictly on their property. The intention of the developer is to open up the drainage the extent the developer can do so on his property which will improve the viability of the ditches.

Mayor Jones closed the public hearing.

Upon a question from Councilman Cordova about the time the City was contacted by state environmental regulators who were investigating for high chloroform and fecal levels which originated in this area, Manager Martin replied that in that instance the entire City experienced tremendous rainfall during that year and that the area with related septic issues was further east of this neighborhood.

Upon further questioning, Ron Cullipher stated that he was sure that a condition of the developer having to extend Plantation Road on this project similar to the assisted living project previously approved, would not be a problem for Best Ventures in terms of their part of the development. However, that condition and the inherent costs associated with it may be a potential consideration for ECCDI as they work through their funding process.

Councilman Ballou questioned the fairness of the stipulation for one project [senior housing complex] to be allowed to construct only a cul-de-sac while another developer was required to construct the road through [assisted living facility].

Councilman Horton was of the opinion that the condition to extend Plantation Road to Friendly Road should fall upon the current property owners as the development of the entire tract of land is adversely affected by the roads not connecting. He felt that either of the projects which proceeds first should result in this connection occurring.

Ron Cullipher stated that Plantation Road would be extended to Friendly Road by Best Ventures, LLC. regardless of which project goes forward first.

Councilman Ballou requested that this street extension should be completed before an occupancy permit is granted.

Councilman Horton was of the opinion that placing a City cul-de-sac [Mandy Farms cul-de-sac north of the proposed development] at the end of a North Carolina Department of Transportation [NCDOT] street which was not in the City was not in the best interest of the City in terms of police protection, maintenance, etc.

City Manager Martin explained that there are areas around Morehead City with cul-de-sacs of this nature which do not adversely affect Morehead City and that the cul-de-sac in this instance was a necessity for emergency vehicles to be able to have a place to turn around and is a requirement of the City's ordinances. He also noted that it was not required that the City maintain the cul-de-sac.

Councilman Thompson MOVED, seconded by Councilman Ballou, and carried unanimously, to adopt Ordinance 2009-50 granting the request submitted by ECCDI, on behalf of Best Ventures, LLC, to rezone a portion of Tax PIN #6376-1314-7055, located at 222 Friendly Road from R20 [Single Family Residential] District to RMF/CU [Residential Multi-Family/Conditional Use] District with the added conditions that Best Ventures, LLC would be responsible for the connection of Plantation Road to Friendly Road before a certificate of occupancy was granted and that Galantis Road would be publicly dedicated. [Ordinance 2009-50 is attached to Ordinance Book #6 in the vault.]

V. Citizen Request/Comments – Mr. James H. Walker, Jr. – Bayview Homes

By way of background information, Mr. James Walker contacted the City Clerk in late September, and requested to be placed on the AGENDA of this meeting. He indicated that he desired to address the Council concerning Eastern Carolina Regional Housing Authority [ECRHA] plans for the former Bayview Homes project site located on Bay Street. Mr. Walker had requested and received copies of certain public records from the past several years involving the Housing Authority's Bayview Homes property. A summary chronology of events concerning the Housing Authority's Bay View Homes and Macon Court public housing was previously distributed to the Council.

James H. Walker, Jr., of 515 Bay Street, Morehead City questioned the Council if they gave any consideration of what is to be done with the site of the former Bayview Homes. The homes were demolished and are no longer in existence. He requested that the Council really review the plans which will be submitted by ECRHA for development of the site to ascertain that the former inhabitants will be able to return to Bayview Homes. He questioned if the proposed development was going to be truly affordable housing for low income people.

Mayor Jones replied that the Council fully understands there is a need for low income housing in this area and that he had respect for what Mr. Walker was trying to achieve.

Councilman Nelson stated that the Council is well aware of the need for moderate and low income housing in the area and that the Council recently approved a proposed development for workforce apartment housing in another section of the City.

The Council concurred, as it was pointed out, that the mandates for the income levels for such public housing projects owned and managed by the ECRHA are established by federal housing guidelines and are, therefore, not within the authority of the Town of Morehead City.

VI. City Managers Report:

Manager Martin reported that with the cooperation of some local businesses, area artists and Downtown Morehead City Revitalization efforts, a very nice public art project was done at the "Jib" property water access site on the waterfront. As part of the effort, a "public choice" art contest is underway to collect votes for the best canvas artwork on display. Organizers have asked that the City provide prizes for the winners as determined by the public choice votes cast. Winners will be announced later in November or early December after the Thanksgiving holiday.

Each of these talented artists has invested considerable time and expense for supplies to create this beautiful addition to the City. Manager Martin recommended that the Council authorize up to a cumulative total of \$500.00 to award prizes from the

budgeted Community Projects contingency line item which is available for such projects at the Council's discretion.

Councilman Ballou MOVED, seconded by Councilman Thompson, and carried unanimously, to Authorize up to \$500.00 for prizes from the "Public Choice" Waterfront Art Contest.

VII. Council Requests/Comments:

Manager Martin announced that he has received word that the American Legion Bayview Cemetery Veteran's Day Ceremony scheduled for tomorrow, November 11 at 11:00 a.m., has been cancelled due to the expected inclement weather.

Councilman Thompson wanted to assure Morehead City citizens that he would not vote to put anything at Bayview Homes but housing for low income residents.

Manager Martin offered to acquire information as to how the U.S. Department of Housing and Urban Development [HUD] evaluates these type of projects as they are usually low or moderate income and come under federally established regulations for a sliding scale of income based on family size. The City has no control over the income standards and has no input as to who would be eligible to become a resident of Bayview Homes.

Planning Director Staab reported that in meetings with ECRHA, it was ascertained that the proposed development at the former Bayview Homes site would cater to the same income levels as had been living there prior to its being demolished. The property is currently zoned R5 and necessitates a special use permit for a multi-family development. ECRHA will need to submit an application to the Board of Adjustment for a special use permit. She continued that ECRHA will be submitting an application to construct town houses in Macon Court, replacing some of the older duplexes at that site as well.

Councilman Ballou concurred with the concerns of Councilman Thompson and offered that the Council will do what it can to assure that the redevelopment of the Bayview Homes site will be for lower income residents.

Councilman Horton offered congratulations to the victors of the City's recent political race which he said demonstrated that the residents are obviously happy with the objectives of the current Council. He requested an update on the progress of the baseball park.

Manager Martin reported that \$2.3 million was budgeted for the baseball park project to build Phase I and elements of Phase II of the master plan for the park which includes funds from Big Rock. The City has received other donations and has funds sufficient for the original grant completion of the required project elements. At the present time, the City is obtaining pricing on bleacher seating and some other items such as concrete needs and walkways. All the elements to play on the field are complete except for the netting on the backstop for the safety of the spectators. The temporary dugouts in place are there to satisfy the grant requirements and will be updated. The concession stand is complete, however, the fixtures are not in place as yet.

Mayor Jones congratulated Councilmen Ballou and Thompson on their reelections.

It was noted that attorney Jim Thompson's wife, Mattie, has passed and there is a viewing this evening. The funeral is tomorrow at 11:00 a.m. at First Baptist Church in Morehead City.

VIII. CLOSED SESSION AS PER G.S. 143.318.11[a][3][5][i] TO APPROVE THE CLOSED SESSION MINUTES OF TUESDAY, OCTOBER 13, 2009; TO DISCUSS CONTRACT NEGOTIATIONS AND PROPERTY ACQUISITIONS; AND TO CONSULT WITH THE CITY ATTORNEY

Councilman Cordova MOVED, seconded by Councilman Ballou, and carried unanimously, [Councilman Thompson, absent excused] to enter into CLOSED SESSION as per G.S. 143.318.11[a][3][5][i] to approve the Closed Session Minutes of Tuesday, October 13, 2009; to discuss contract negotiations and property acquisitions; and to consult with the City Attorney.

Councilman Cordova MOVED, seconded by Councilman Nelson, and carried unanimously, to return to OPEN SESSION.

Councilman Ballou MOVED, seconded by Councilman Horton, and carried unanimously, to excuse Councilman Thompson who had to leave during the CLOSED SESSION.

Councilman Cordova MOVED, seconded by Councilman Thompson, and carried unanimously, to approve and seal the CLOSED SESSION MINUTES of Tuesday, October 13, 2009.

There being no further business, the meeting was adjourned at 8:30 p.m.

Gerald A. Jones, Jr., Mayor

Attest:

Jeanne M. Giblin, City Clerk